

RECORDATION NO. 20342-1 FILED

APR 14 '08 -2:30 PM

SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

ALVORD AND ALVORD
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April 14, 2008

Anne K. Quinlan, Esquire
Acting Secretary
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

Dear Ms. Quinlan:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are two (2) copies of a Memorandum of Lease Agreement, dated as of April 14, 2008, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Master Lease Agreement previously filed with the Board under Recordation Number 20342.

The names and addresses of the parties to the enclosed document are:

Lessor: U.S. Bancorp Equipment Finance, Inc.
13010 SW 68th Parkway
Portland, OR 97223

Lessee: Dakota, Minnesota & Eastern Railroad
Corporation
140 N. Phillips Ave.
Sioux Falls, SD 57101

Anne K. Quinlan, Esquire
April 14, 2008
Page 4

A description of the railroad equipment covered by the enclosed document is:

98 covered hopper railcars within the series DME 49100 - DME 49199 as more particularly set forth in the attachment to the document.

A short summary of the document to appear in the index is:

Memorandum of Lease Agreement.

Also enclosed is a check in the amount of \$35.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', followed by a horizontal line.

Robert W. Alvord

RWA/sem
Enclosures



RECORDATION NO.

20342-18
FILED

MEMORANDUM OF LEASE AGREEMENT

APR 14 '08 -2 30 PM

Equipment Finance, Inc.

SURFACE TRANSPORTATION BOARD

Memorandum of Lease Agreement is made and entered into on April 14, 2008 by and between U.S. Bancorp Equipment Finance, Inc. "Lessor", and, Dakota, Minnesota & Eastern Railroad Corporation, "Lessee".

The undersigned have entered into that certain Master Lease Agreement dated October 23, 1996, whereby the Lessor has agreed to lease to the Lessee and the Lessee has agreed to lease from the Lessor certain property as listed on Exhibit "A" attached hereto, subject to the terms defined in the Schedule (Number 13440-001-0018468-001), dated April 14, 2008.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed as of the date and year first above written.

Lessor:

U.S. Bancorp Equipment Finance, Inc.

Lessee:

Dakota, Minnesota & Eastern Railroad Corporation

BY:

An Authorized Officer

BY:

Kurt V. Feaster

Senior Vice President/Chief Financial Officer

Executed on this 14 day of April, 2008.

Executed on this _____ day of _____, 20____.

STATE OF Oregon)
County of Washington)SS.

On April 14, 2008 personally appeared before me, Kurt V. Feaster, who being duly sworn, stated that he/she is the Vice President of U.S. Bancorp Equipment Finance, Inc., acknowledged the foregoing instrument as voluntary act and deed of the Company by virtue of authority from its Board of Directors.

Before me:

Notary Public for

My Commission Expires: 11/18/2011STATE OF _____)
County of _____)SS.

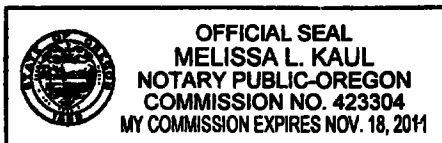
On _____, _____ personally appeared before me, _____, who being duly sworn, stated that he/she is the _____ of Dakota, Minnesota & Eastern Railroad Corporation, acknowledged the foregoing instrument as voluntary act and deed of the Company by virtue of authority from its Board of Directors.

Before me:

Notary Public for

My Commission Expires: _____

6/00





MEMORANDUM OF LEASE AGREEMENT

Equipment Finance, Inc.

Memorandum of Lease Agreement is made and entered into on April 14, 2008 by and between U.S. Bancorp Equipment Finance, Inc. "Lessor", and, Dakota, Minnesota & Eastern Railroad Corporation, "Lessee".

The undersigned have entered into that certain Master Lease Agreement dated October 23, 1996, whereby the Lessor has agreed to lease to the Lessee and the Lessee has agreed to lease from the Lessor certain property as listed on Exhibit "A" attached hereto, subject to the terms defined in the Schedule (Number 13440-001-0018468-001), dated April 14, 2008.

IN WITNESS WHEREOF, the parties hereto have each caused this Memorandum to be duly executed as of the date and year first above written.

Lessor:
U.S. Bancorp Equipment Finance, Inc.

Lessee:
Dakota, Minnesota & Eastern Railroad Corporation

BY: _____
An Authorized Officer

BY: Kurt V. Feaster
Kurt V. Feaster
Senior Vice President/Chief Financial Officer

Executed on this _____ day of _____, 20____.

Executed on this 10 day of Apr, 2008.

STATE OF _____)
County of _____)SS.

STATE OF South Dakota)
County of Minnehaha)SS.

On _____, _____ personally appeared before me, _____, who being duly sworn, stated that he/she is the _____ of U.S. Bancorp Equipment Finance, Inc., acknowledged the foregoing instrument as voluntary act and deed of the Company by virtue of authority from its Board of Directors.

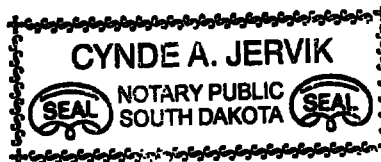
On April 10, 2008 personally appeared before me, Kurt V. Feaster, who being duly sworn, stated that he/she is the CFO of Dakota, Minnesota & Eastern Railroad Corporation, acknowledged the foregoing instrument as voluntary act and deed of the Company by virtue of authority from its Board of Directors.

Before me:

Before me:

Notary Public for _____
My Commission Expires: _____

Cynde A. Jervik
Notary Public for South Dakota
My Commission Expires: 6-15-12



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1/20/50
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Exhibit "A"
TO MEMORANDUM OF LEASE AGREEMENT

Ninety Eight (98) 1997 Built 4870 cf covered hopper railcars, Serial Numbers as follows;

DME 49100	DME 49120	DME 49140	DME 49160	DME 49181
DME 49101	DME 49121	DME 49141	DME 49161	DME 49182
DME 49102	DME 49122	DME 49142	DME 49162	DME 49184
DME 49103	DME 49123	DME 49143	DME 49163	DME 49185
DME 49104	DME 49124	DME 49144	DME 49164	DME 49186
DME 49105	DME 49125	DME 49145	DME 49165	DME 49187
DME 49106	DME 49126	DME 49146	DME 49166	DME 49188
DME 49107	DME 49127	DME 49147	DME 49167	DME 49189
DME 49108	DME 49128	DME 49148	DME 49168	DME 49190
DME 49109	DME 49129	DME 49149	DME 49169	DME 49191
DME 49110	DME 49130	DME 49150	DME 49170	DME 49192
DME 49111	DME 49131	DME 49151	DME 49171	DME 49193
DME 49112	DME 49132	DME 49152	DME 49172	DME 49194
DME 49113	DME 49133	DME 49153	DME 49173	DME 49195
DME 49114	DME 49134	DME 49154	DME 49174	DME 49196
DME 49115	DME 49135	DME 49155	DME 49175	DME 49197
DME 49116	DME 49136	DME 49156	DME 49176	DME 49198
DME 49117	DME 49137	DME 49157	DME 49177	DME 49199
DME 49118	DME 49138	DME 49158	DME 49179	
DME 49119	DME 49139	DME 49159	DME 49180	

TOGETHER WITH ALL REPLACEMENTS, PARTS, REPAIRS, ADDITIONS, ACCESSIONS AND ACCESSORIES INCORPORATED THEREIN OR AFFIXED OR ATTACHED THERETO AND ANY AND ALL PROCEEDS OF THE FOREGOING, INCLUDING, WITHOUT LIMITATION, INSURANCE RECOVERIES.



CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: _____

4/15/08



Robert W. Alvord